BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy KoppendrayerChairMarshall JohnsonCommissionerKen NickolaiCommissionerThomas PughCommissionerPhyllis A. RehaCommissioner

In the Matter of the Petition of Dakota Electric for Approval of Riders for Standby and Supplementary Power and Distributed Generation Power ISSUE DATE: June 28, 2006

DOCKET NO. E-111/M-04-2049

ORDER APPROVING RIDER AND STANDBY SERVICE

PROCEDURAL HISTORY

On August 1, 2001, Minnesota Statutes § 216B.1611 became effective. Subdivision 2 of the statute directed the Commission to establish standards for terms under which an electric utility would interconnect with a customer's plant that uses certain "clean" fuels to generate up to ten megawatts (MW) of power for use on-site by the customer, with any unused electricity sold to the utility. The statute refers to such plants as "distributed generation" (DG).

On September 28, 2004, the Commission issued its ORDER ESTABLISHING STANDARDS in Docket No. E-999/CI-01-2023, *In the Matter of Establishing Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities under Minnesota Laws 2001, Chapter 212.* The Commission directed retail electric public utilities to file tariffs consistent with the new standards.

On December 28, 2004, Dakota Electric filed a proposed rider for distributed generation and a rider for standby service. Dakota Electric also sought approval of its Process and Technical Requirements document that it had posted on its website, which was also included in the Commission's September 28, 2004 Order. Other parties filed comments and recommended changes to the riders.

On February 17, 2006, the Commission issued its ORDER APPROVING TARIFF RIDERS AND RELATED DOCUMENTS AS MODIFIED. Dakota Electric was required to file revised tariff riders in compliance with the Commission's modifications.

On March 20, 2006, Dakota Electric filed its revised tariff riders in compliance with the Commission's Order.

On April 20, 2006, Dakota Electric filed a second revision of its tariff riders in response to recommended modifications by Commission staff, to comply with the Commission's February 17, 2006, Order.

On June 8, 2006, the Commission met to consider the matter.

FINDINGS AND CONCLUSIONS

After consideration, the Commission approves Dakota Electric's April 20, 2006, revised riders for distributed generation and standby service as filed.

ORDER

- 1. Dakota Electric's April 20, 2006, distributed generation and standby service riders are approved.
- 2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar Executive Secretary

(S E A L)

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